



## U.S. Customs and Border Protection

Series 860  
April 21, 2021

### U.S. CUSTOMS AND BORDER PROTECTION

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#### Customs Broker License Examination

#### DIRECTIONS - READ CAREFULLY

This examination consists of 80 questions. The minimum passing score is 75%. For each question, choose the letter representing your answer (**A**, **B**, **C**, **D**, or **E**). There is no penalty for guessing; therefore, you should attempt to answer every question. **Each question has a single best answer.**

You are responsible for having the following references:

- Harmonized Tariff Schedule of the United States (2020 Basic Edition, No Supplements) (HTSUS)
- Title 19, Code of Federal Regulations (2020 Revised as of April 1, 2020, Parts 1 to 199) (19 CFR § 0-140)(19 CFR § 141-199)
- Instructions for Preparation of CBP Form 7501 (December 2019) (7501 Form Prep)
- Right to Make Entry Directive 3530-002A (RTME)
- Business Rules and Process Document (Trade External 10.0, Section 1 – 12) (ACE BRPD)

You have four and a half (4.5) hours (270 minutes) to complete this examination.

In addition to the 80 exam questions, U.S. Customs and Border Protection (CBP) will be administering six **voluntary** process evaluation questions at the end of the exam. The questions should take no longer than 5 minutes to complete. The purpose of the survey questions is to inform future testing processes. These survey questions are voluntary and will have **NO** impact on your scores.



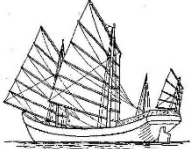
**Section 2: Customs Broker License Examination**

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Category I – Practical Exercise

Sigma Coy E.X.T		Smyrna, Italy			
<u>Shipper/Exporter</u> Sigma Coy E.X.T. 4000 Smyrna, Italy 1640 Delgado		<u>No. and Date of Invoice</u> US0001E     September 19, 2019			
<u>For Account and Risk of Messers</u> Joy's Special Designs 1638 Christmas Rd Oswego, NY 13126		<u>Marks and No. of Pkgs.</u> 5 total packages			
<u>Notify Party</u> XYZ Brokers, Inc. 658 Adams Plaza Oswego, NY 13126		<u>L/C Issuing Bank</u>			
<u>Port of Lading</u> Izmir, Italy	<u>Final Destination</u> Oswego, NY	<u>Remarks</u> FOB Oswego, NY P/O No.: OMAL587236 Italian Origin			
<u>Carrier</u> COSCO	<u>Departure on or about</u> September 25, 2019	<u>Agricultural Farm</u> .....			
<u>Description of Goods</u>		<u>Quantity</u>	<u>Unit Price</u>	<u>Amount</u>	
Women's 70% silk, 30% rayon woven brassiere, with embroidery		34 doz.	\$72.00/doz	\$2,448.00 USD	
16 inch silver necklace, gold plated, mixed link containing 2 diaspore stones 7 millimeters each, 4 cultured pearls.		5 doz	\$40.00 ea	\$2,400.00 USD	
<b>TOTAL</b>				<b>\$4484.00</b>	
Master Bill: 001-63324833 House Bill: COSC6676406					



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Please use the identified commercial invoice to answer the question.

1. What is the **CLASSIFICATION** of the brassiere?

- A. 6212.10.3000
- B. 6212.10.5030
- C. 6212.10.7000
- D. 6212.20.0030
- E. 6212.30.0030

Please use the identified commercial invoice to answer the question.

2. What is **CLASSIFICATION** of the necklace?

- A. 7116.10.2500
- B. 7116.20.1500
- C. 7113.19.2500
- D. 7113.11.5000
- E. 7117.90.9000

Please use the identified commercial invoice to answer the question.

3. The port code to be identified on Block 20 of CBP Form 7501 is \_\_\_\_\_.

- A. 0904
- B. 0906
- C. 2811
- D. 3881
- E. 5501

Please use the identified commercial invoice to answer the question.

4. The party responsible for the payment of duties, taxes and fees is \_\_\_\_\_.

- A. the shipping line
- B. Joy's Special Design
- C. XYZ Brokers, Inc
- D. Sigma Coy E.X.T.
- E. the nominal consignee

Please use the identified commercial invoice to answer the question.

5. What is the Manufacturer Identification Code (MID)?

- A. DESIG1640ITA
- B. ITSIGCOY4000DEL



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- C. ITSIGCOY1640SMY
- D. ITSIFCOY4000SMY
- E. SMIGCOY1640ITA

Please use the identified commercial invoice to answer the question.

6. What is the Harbor Maintenance fee for this shipment?

- A. \$0.00
- B. \$3.00
- C. \$5.61
- D. \$15.53
- E. \$25.00



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### Category II – ACE

7. If CBP requires supporting documents to be submitted when the rejected entry summary is re-transmitted, what will CBP send to the importer/broker?
  - A. No-file liquidated damage case
  - B. Late file liquidated damage case
  - C. CBP Form 28
  - D. An entry summary reject
  - E. CBP Form 29
  
8. CBP can receive and validate a single transaction bond (STB) either received electronically from a Surety or Surety Agent, or received from a Surety or Surety Agent by emailing a copy of the STB to \_\_\_\_\_.
  - A. [brokermanagement@cbp.dhs.gov](mailto:brokermanagement@cbp.dhs.gov)
  - B. [otsummary@cbp.dhs.gov](mailto:otsummary@cbp.dhs.gov)
  - C. [bondquestions@cbp.dhs.gov](mailto:bondquestions@cbp.dhs.gov)
  - D. [acebusinessrules@cbp.dhs.gov](mailto:acebusinessrules@cbp.dhs.gov)
  - E. [acehelpdesk@cbp.dhs.gov](mailto:acehelpdesk@cbp.dhs.gov)
  
9. ACE currently permits blanket declaration records with the **EXCEPTION** of which one of the following?
  - A. Affidavit of Manufacturer
  - B. Importer Certifying Statement
  - C. North American Free Trade Agreement of Origin
  - D. Non-Reimbursement Statement
  - E. Catalog of products with classification



### Category III – Power of Attorney

10. In regards to a power of attorney, what legal status of a grantor is limited to a specific time period from the date of execution per the Code of Federal Regulations?
- A. Nonresident corporation
  - B. Trusteeship
  - C. Resident corporation
  - D. Partnership
  - E. Association
11. Which of the following is the official regulatory process to revoke a power of attorney?
- A. Prior to being submitted to CBP
  - B. Within 30 days from execution
  - C. Upon written approval by the Port Director
  - D. At any time by written notice given to and received by the Port Director
  - E. It may not be revoked
12. Peter Davis is the Import Manager of ABC Imports. He hires XYZ Brokers to clear shipments for ABC Imports. ABC Imports is a limited partnership under state law. Which of the following is **REQUIRED** as part of the power of attorney from ABC Imports?
- A. The signature of Peter Davis.
  - B. The signature of the President and a certification supporting the President's authority to sign the power of attorney.
  - C. The signature of all the partners to the limited partners.
  - D. The signature of a general partner, the names of all the general partners, and a copy of the partnership agreement.
  - E. The names of all the partners and the signature of one of the partners.



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### Category IV – Broker Compliance

13. At what value is a mail shipment **REQUIRED** to be formally entered for commercial merchandise imported into the United States, excluding special classes of merchandise?
- A. \$800.00
  - B. \$2,000.00
  - C. \$2,550.00
  - D. \$10,000.00
  - E. There is no specified value.
14. When should an application to transport merchandise in-bond be submitted?
- A. Any time prior to the merchandise arriving at the port of destination.
  - B. Any time prior to the merchandise departing the origination port.
  - C. Any time prior to the merchandise arriving at the port of exportation.
  - D. 30 days after departing the origination port.
  - E. When the merchandise arrives at the port of destination.
15. A broker must provide specific information to the port director at each port where the broker intends to transact customs business (application for permit). That information must be provided in writing and include the following about each employee **EXCEPT**:
- A. Name
  - B. Citizenship
  - C. Social security number
  - D. Date and place of birth
  - E. Current and prior home address
16. Under which scenario is a customs broker license **REQUIRED** in order to transact customs business?
- A. An importer or exporter transacting customs business solely on his own account and in no sense on behalf of another.
  - B. A person transacting business in connection with entry or clearance of vessels or other regulation of vessels under the navigation laws.
  - C. Any carrier bringing merchandise to the port of arrival or any bonded carrier transporting merchandise for another making entry for that merchandise for transportation in bond.
  - D. An individual entering noncommercial merchandise for a partnership, association, or corporation, provided that the requirements of 19 CFR § 141.33 are met.
  - E. A foreign trade zone operator or user engaging in activities within a zone that do not involve the transfer of merchandise to the customs territory of the United States.





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17. Which of the following statements is **NOT** subject to “Grounds for Suspension or Revocation of License or Permit”?
- A. The broker has violated any provision of any law enforced by Customs or the rules or regulations issued under any provision of any law enforced by Customs.
  - B. The broker has knowingly employed, or continues to employ, any person who has been convicted of a felony, with written approval of that employment from the Assistant Commissioner.
  - C. The broker has, in the course of customs business, with intent to defraud, in any manner willfully and knowingly deceived, misled or threatened any client or prospective client.
  - D. The broker no longer meets the applicable requirements of 19 CFR § 111.11 - § 111.19. The broker has counseled, commanded, induced, procured, or knowingly aided or abetted violations by any other person of any provision of any law enforced by Customs or the rules or regulations issued under any provision of any law enforced by Customs.
18. Which of the following statements is **FALSE**?
- 1. After a new employee has been employed by a broker for 30 consecutive days, the broker must submit new employee information to the port director including: social security number, last prior home address, and place of birth within 10 calendar days after the 30 day period.
  - 2. Brokers that are partnerships, associations, or corporations may operate during any continuous period of up to 120 days after loss of the member of the partnership, or officer of the association or corporation, holding a valid individual broker license. After a continuous period of 120 days, failure to replace the licensed member or officer will result in revocation by operation of law of the license and any permits issued to the partnership, association, or corporation.
  - 3. Regarding broker employee information, in the absence of culpability by the broker, Customs will not hold the broker responsible for the accuracy of information that is provided to the broker by their employee.
  - 4. Each broker must exercise due diligence in making financial settlements. Payments must be transmitted to the Government within 7 working days from receipt by the broker.
  - 5. In regards to brokers transacting customs business for an unlicensed person who is not the actual importer, the broker must transmit to the actual importer either a copy of his bill for services rendered or a copy of the entry, unless the importer has provided a written waiver.



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19. All of the below are true with the **EXCEPTION** of:

- A. A person transacting business in connection with entry or clearance of vessels or other regulations under the navigation law is not required to be licensed as a broker.
- B. A cause for denial of a license would be any willful misstatement of pertinent facts in the application for the license.
- C. A national permit application must include the applicant's broker license and date of issuance.
- D. Each broker must comply with the provisions of part 136 of this chapter when maintaining records that reflect on his transactions as a broker.
- E. A broker must not procure or attempt to procure, directly or indirectly, information from Government records or other Government sources of any kind to which access is not granted by proper authority.



**Category V – Classification**

20. What is the **CLASSIFICATION** for a portable tabletop gas stove? The stove is made primarily of iron and steel, it is designed to use propane gas fuel, and is for domestic use.
- A. 7321.11.1030
  - B. 7321.11.3010
  - C. 7615.10.9100
  - D. 8516.79.0000
  - E. 9403.20.0050
21. What is the **CLASSIFICATION** of an automatic robot vacuum cleaner, with boundary strips, a remote control, a charging base, and an AC power adapter? The vacuum cleaner is 1300 W and disk-shaped measuring approximately 13 inches in diameter and 3 inches in height with a 0.5 L receptacle. The user can set boundary strips and the robotic vacuum only cleans certain areas.
- A. 8479.89.2000
  - B. 8508.11.0000
  - C. 8508.70.0000
  - D. 8509.80.1000
  - E. 8509.80.5080
22. What is the **CLASSIFICATION** of a plastic, battery-operated, video poker game that is designed for one to four players, ages 10 through adult? The game is a hand-held electronic version of the poker that is played in casinos. Players take turns by passing the device from one to another. Each player begins the game with same amount of “cash” (points) and whoever reaches the pre-determined amount of “money” (points) first, is the winner. On the face of the item there is an “On-Off” switch, a “Deal” button, a “Player” switch and “Hold” button. The “playing cards” are projected on the self-contained screen as well as each player’s individual score including the “dealer’s”. Players can compete against each other or against the game’s built-in “dealer.”
- A. 9503.00.0013
  - B. 9503.00.0071
  - C. 9504.30.0010
  - D. 9504.40.0000
  - E. 9504.50.0000



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23. What is the **CLASSIFICATION** of a women's raincoat made from 60% polyester, 40% cotton woven fabric?
- A. 6201.13.4015
  - B. 6202.12.2010
  - C. 6202.13.4005
  - D. 6202.13.4010
  - E. 6202.93.4800
24. What is the **CLASSIFICATION** of a wall panel which is manufactured by mixing natural gypsum plaster powder with water, molding it to shape, allowing it to dry, then reinforcing it with paper?
- A. 2520.10.0000
  - B. 6802.99.0080
  - C. 6805.20.0000
  - D. 6809.11.0010
  - E. 6904.90.0000
25. What is the **CLASSIFICATION** of a standard 90% polyester and 10% cotton textile fabric dentist seat manufactured in Switzerland and whose armrests, leg rest, footrest, backrest, and seat base are upholstered and affixed to an aluminum metal frame? The dentist seat frame encompasses the ability to rotate, recline, and elevate. The dentist seat does not incorporate dental appliances such as a cuspidor (spittoon), mouth rinser, or instruments for drilling or filling.
- A. 9018.49.8080
  - B. 9401.30.8030
  - C. 9401.71.0031
  - D. 9402.10.0000
  - E. 9402.90.0020
26. Florence Import Company is importing backpacks into the United States. The backpacks are constructed with a man-made textile base. The textile is coated on the outer surface of the finished article with a continuous sheet of polyvinyl chloride (PVC). The PVC is embossed to simulate leather. What is the correct **CLASSIFICATION** of the backpacks?
- A. 4202.22.1500
  - B. 4202.91.9030
  - C. 4202.92.3120
  - D. 4202.92.4500
  - E. 4205.00.1000



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27. What is the **CLASSIFICATION** of a women's hip-length jacket with an outer shell constructed from a laminated 100% polyester woven fabric bonded to a thermoplastic polyurethane film that is visible from the backside of the fabric? The garment is insulated with a 650 fill goose down containing an 80/20 down/feather ratio, has a full front opening secured with a zipper, a multi-adjustable hood, long sleeves with inner-protective cuffs, an adjustable powder skirt, zippered pockets below the waist and on the sleeves, a zippered vent under each arm, odor control technology, and a hem threaded with an elastic cord fitted with locks for tightening around the body.
- A. 6202.93.0700
  - B. 6202.93.0911
  - C. 6210.40.5520
  - D. 6210.50.5520
  - E. 6210.50.8050
28. What is the **CLASSIFICATION** of a printed paper map of the United States measuring 24" x 36"? The mountainous areas are in three dimensional relief. The printing is color lithography. The paper is .45 mm thick.
- A. 4905.91.0000
  - B. 4905.99.0000
  - C. 4911.99.6000
  - D. 9014.80.5000
  - E. 9023.00.0000
29. What is the **CLASSIFICATION** of a radiator to be solely used as a part of a self-propelled bulldozer, with rows of tubing through which coolant flows, and brazed aluminum fins, which transfer heat from the coolant to the air flowing through the radiator?
- A. 8419.50.10
  - B. 8419.90.30
  - C. 8429.51.10
  - D. 8431.39.00
  - E. 8431.49.90



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30. What is the **CLASSIFICATION** of a power supply that is described as a 100-Watt medical grade power supply for use with a Portable Oxygen Concentrator (POC)? The power supply is a rectifying power supply and functions to convert input AC input voltage to 29 VDC electrical output that is supplied directly to the POC. The power supply is said to provide power exclusively to a POC and is permanently embossed stating its limited use as a medical AC/DC Adapter for a POC.
- A. 8504.40.6007
  - B. 8504.40.8500
  - C. 8504.40.9520
  - D. 8504.40.9530
  - E. 9019.20.0000
31. What is the **CLASSIFICATION** of a mineral oil-based grease, containing less than 30% of zinc and silica additives, and containing no salts or fatty acids of animal or plant based origin?
- A. 1518.00.2000
  - B. 1522.00.0000
  - C. 2710.19.3500
  - D. 2710.19.4000
  - E. 2710.99.3200



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32. In which of the following 6-digit subheadings would you classify the imported product described in the paragraph below?

The mixture contains chemical substances packaged for retail sale as a skin toner.

It is a scented, blue, clear liquid that contains 0.5 percent salicylic acid. It is packaged for retail sale in eight fluid ounce bottles. Its other ingredients include water, alcohol, glycerin, isoteth-20, PEG-32, sodium citrate, fragrance, propylene glycol, dimethicone propyl PG-betaine, benzophenone-4, algae extract, aloe barbadensis leaf extract, denatonium benzoate, and blue dye.

The product is used to clear blotchy discolored patches on the skin for cosmetic purposes.

Please be aware of the following Section and Chapter Notes in addition to the terms of each heading.

Chapter 29 Note 1 (a-h); Section VI (Products of the Chemical or Allied Industries) Note 2; Chapter 33 Note 2.

- A. 2903.94
- B. 3302.10
- C. 3304.99
- D. 3808.92
- E. 3824.99

33. What is the tariff classification of a set of steel hand-tools that includes a screwdriver, hammer, slip joint pliers and a socket wrench? The tools are imported packaged for retail sale in a plastic blister pack.

- A. 8203.20.4000
- B. 8204.20.0000
- C. 8205.40.0000
- D. 8205.90.6000
- E. 8206.00.0000



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34. What is the **CLASSIFICATION** for the following scenario? A broker calls and asks for assistance classifying a clear plastic bag made for transporting food items from a store. The bag is made of polyethylene, it is not insulated and does not have handles. It measures 6 inches (152.4 mm) in length and 6 inches in width. The bag also has a re-closable top seal with a slider that allows the bag to open and close.
- A. 3923.21.0011
  - B. 3923.21.0020
  - C. 4202.92.0809
  - D. 4819.40.0040
  - E. 6305.33.0080





### Category VI – Drawback

35. After filing a drawback notice of intent to export rejected merchandise, CBP will notify an importer or broker of its decision to examine the merchandise. How will the importer or broker arrange for that exam?
- A. Contact the inspection personnel in the port at which the CBP Form 7553 was filed.
  - B. Contact the entry specialist in the port at which the CBP Form 7501 was filed.
  - C. Contact the broker management office in the port at which CBP Form 3461 was filed.
  - D. Contact the import specialist in the port at which the CBP FORM 3495 was filed.
  - E. Contact the inspection personnel in the port at which CBP Form 6043 was filed.
36. What percentage of duties paid with respect to the imported merchandise may a claimant receive on filing a drawback claim?
- A. 1%
  - B. 10%
  - C. 35%
  - D. 50%
  - E. 99%
37. The drawback entry is to be filed through a CBP-authorized electronic system and must include all of the following **EXCEPT**:
- A. Claimant identification number
  - B. Port code for the drawback office where the claim is being filed
  - C. Drawback entry number and provision(s) under which drawback is claimed
  - D. The 8-digit HTSUS classification, of each item being exported
  - E. Amount of refund claimed for each of relevant duties, taxes, and fees
38. Evidence of any transfers of merchandise must be evidenced by records as defined in \_\_\_\_\_.
- A. 19 CFR § 190.2
  - B. 19 CFR § 190.4
  - C. 19 CFR § 190.10
  - D. 19 CFR § 190.24
  - E. 19 CFR § 190.73



### Category VII – Anti-Dumping and Countervailing Duties

39. Select the appropriate term for the following definition: “the entry of covered merchandise into the customs territory of the United States for consumption by means of any document or electronically transmitted data or information, written or oral statement, or act that is material and false, or any omission that is material, and that results in any cash deposit or other security or any amount of applicable antidumping or countervailing duties being reduced or not being applied with respect to the covered merchandise.”
- A. Convection
  - B. Evasion
  - C. Investigation
  - D. Allegation
  - E. Invasion
40. Who conducts the investigation of an alleged evasion?
- A. Department of Commerce
  - B. Homeland Security Investigations
  - C. Trade Remedy Law Enforcement Directorate
  - D. Regulations and Rulings
  - E. Regulatory Audit
41. Make Sure Company imported eight ball bearings with integral shafts from Germany, which are classified under subheading 8482.10.10, Harmonized Tariff Schedule of the United States, at a 2.4% ad valorem duty rate and subject to antidumping duties. The ball bearings are shipped by air and formally entered at John F. Kennedy International Airport. The total value of the shipment is \$12,479.49. The applicable antidumping duty case deposit rate is 88.69%. What is the total amount of estimated duties and fees that should be reported on the CBP Form 7501?
- A. \$299.50
  - B. \$11,067.63
  - C. \$11,110.86
  - D. \$11,367.13
  - E. \$11,410.36



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42. Goods are imported under a consumption entry on January 3, 2020. Estimated duties are deposited. On October 18, 2020, CBP liquidated the entry and assessed more duty than was deposited. A bill was issued to the importer of record. The importer of record paid the bill on time. Based on the above, which of the following is **TRUE**?
- A. The broker must maintain a consumption entry subject to an antidumping investigation until the entry liquidates.
  - B. The broker must maintain the consumption entry subject to an antidumping investigation for five years after the entry liquidates.
  - C. The broker must maintain the consumption entry subject to an antidumping investigation for three years after the entry liquidates.
  - D. The broker must maintain the consumption entry subject to an antidumping investigation for five years after the date of entry.
  - E. The broker must maintain the consumption entry subject to an antidumping investigation for five years after the date of creation of the entry.



### Category VIII – Bonds

43. To amend the actual owner identified on an entry summary filed with CBP, a CBP Form \_\_\_\_\_ must be submitted within 90 days from the date of entry.
- A. CBP Form 3229
  - B. CBP Form 3347
  - C. CBP Form 4457
  - D. CBP Form 4811
  - E. CBP Form 6043
44. If a CBP bond has **NOT** been satisfied and no measures have been taken to file an application for relief or protest and the bond is **NOT** given for the production of free-entry or reduced-duty documents, how many days must pass until the matter will be reported to the Department of Justice for prosecution after the date liability has accrued under this bond?
- A. 45 days
  - B. 60 days
  - C. 90 days
  - D. 135 days
  - E. 180 days
45. Whenever a bond is required or authorized by law, regulation, or instruction, the Commissioner of CBP may do all of the following **EXCEPT**:
- A. Prescribe the conditions and form of the bond and fix the amount of penalty, whether for the payment of liquidated damages, or of a penal sum, except as otherwise specifically provided by law.
  - B. Provide for the denial of the sureties on the bond, without regard to any general provision of law.
  - C. Authorize the execution of a term bond, the conditions of which will extend to and cover similar cases of importations over a period of time, not to exceed one year or such longer period as he may fix, when in his opinion special circumstances warrant a longer period.
  - D. Authorize the taking of a consolidated bond (single transaction or term) in lieu of separate bonds to assure compliance with two or more provisions of law, regulation, or instruction. Such a consolidated bond will have the same force and effect as the separate bonds in lieu of which it was taken.
  - E. The Commissioner of CBP may fix the penalty for violation of a consolidated bond without regard to any other provision of law, regulation, or instruction.



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46. Which of the following is **INCORRECT** regarding effective dates of bonds and riders?

- A. A continuous bond, and any associated application required by § 113.11, or rider, may be filed up to 60 days prior to the effective date requested for the continuous bond or rider.
- B. *Single transaction bond*. A single transaction bond is effective on the date of the transaction identified on CBP Form 301.
- C. *Continuous bond*. A continuous bond is effective on the effective date identified on CBP Form 301.
- D. *Riders for name change of principal, address change, and addition of trade names and unincorporated divisions of a corporate principal*. Riders for a name change of principal, address change, and addition of trade names and unincorporated divisions of a corporate principal are effective on the effective date identified on the rider.
- E. *Rider to delete trade names and unincorporated divisions of a corporate principal*. A rider to delete trade names and unincorporated divisions of a corporate principal is effective on the effective date identified on the rider if the date is at least 20 business days after the date the port receives the rider. If the rider is not received 20 business days before the identified effective date or no effective date is identified on the rider, it will be effective on the close of business of the tenth business day after it is received in the port.



**Category IX – Entry**

47. What is the **MAXIMUM** amount of time allowed for merchandise transported in-bond via truck other than barge to be delivered to CBP at the port of destination or port of exportation?
- A. 15 days
  - B. 30 days
  - C. 45 days
  - D. 60 days
  - E. 90 days
48. What is the **MAXIMUM** amount of time allowed for merchandise transported in-bond via barge to be delivered to CBP at the port of destination or port of exportation?
- A. 15 days
  - B. 30 days
  - C. 45 days
  - D. 60 days
  - E. 90 days
49. Which of the following documents **MUST** be filed pursuant to 19 CFR § 10.1(a) in connection with the entry of articles in a shipment valued over \$2,500.00 and claimed to be free of duty under subheading 9801.00.10 or 9802.00.20, Harmonized Tariff Schedule of the United States (HTSUS):
- A. A declaration by the assembler
  - B. An end use statement
  - C. A declaration by the foreign shipper
  - D. Proof of payment
  - E. CBP Form 3495 (Application for Exportation of Articles under Special Bond)
50. Which of the following statements regarding an ATA Carnet is **INCORRECT**?
- A. No ATA Carnet shall be accepted with a validity period exceeding one year.
  - B. All carnets shall include an English translation whenever the goods described by the carnet are described in a foreign language.
  - C. A carnet simultaneously serves as a customs document and as a customs bond.
  - D. Additions to the carnet inventory list shall be added to the back of the carnet booklet.
  - E. Merchandise covered by a carnet may be examined prior to being laden for direct exportation.



## U.S. Customs and Border Protection

51. The following articles may not be designated as an eligible articles for the purposes of Generalized System of Preferences (GSP), which the **EXCEPTION** of:
- A. import-sensitive electronic articles
  - B. import-sensitive steel articles
  - C. import-sensitive semi manufactured and manufactured glass products
  - D. watches, except as determined by the President pursuant to Section 503(c)(1)B of the Trade Act of 1974, as amended.
  - E. any other articles which the President determines to be import-sensitive in the context of the GSP.
52. Which person listed below **CANNOT** sign or certify the electronic transmission of the entry or entry summary?
- A. Buying or Selling Agent
  - B. Owner
  - C. Purchaser
  - D. Freight Forwarder
  - E. Broker
53. The following are examples of assembly operations which are incidental to the assembly process **EXCEPT**:
- A. Cleaning
  - B. Trimming filing, or cutting off of small amounts of excess materials
  - C. Cutting to length of wire, thread, tape, foil, and other similar products exported in continuous length: separation by cutting of finished components
  - D. Removal of rust, grease, paint, or other preservative coating
  - E. Cutting of garment part according to pattern from exported material
54. Antique articles are prohibited entry under the Endangered Species Act of 1973 (19 USC1521) with some exceptions. Which of the following statement is **FALSE**?
- A. The article is not less than 100 years
  - B. The articles are entered at a port designated in 19 CFR § 18.26
  - C. The articles are composed in whole or in part of any endangered or threatened species as listed in 50 CFR § 17.11 or 50 CFR § 17.12
  - D. The articles have not been repaired or modified with any part of any such endangered or threatened species on or after December 28, 1973.
  - E. A declaration for Importation or Exportation of Fish or Wildlife (USFWS) Form 3-177 or its electronic equivalent is filed at the time of entry with the port director who will forward the form to the U.S. Fish and Wildlife Service



## U.S. Customs and Border Protection

55. Importers of films shall certify on which Customs Form that the imported films contain no obscene or immoral matter, nor any matter advocating or urging tension or insurrection against the United States.
- A. CBP Form 3124
  - B. CBP Form 3291
  - C. CBP Form 339V
  - D. CBP Form I-510
  - E. CBP Form I-736
56. Which one of the following terms is used, for legal purposes, to determine **CLASSIFICATION**?
- A. The titles of sections
  - B. The section notes
  - C. The alphabetical index
  - D. The table of contents
  - E. The chapter number
57. When filing a Temporary Importation Bond Entry, which of the following is **NOT** a requirement per the Code of Federal Regulations?
- A. A statement of the use to be made of the articles in sufficient detail to enable the port director to determine whether they are entitled to entry as claimed.
  - B. A Manufacturer's Affidavit attesting to the origin of the goods.
  - C. A declaration that the articles are not to be put to any other use and that they are not imported for sale or sale on approval.
  - D. A description of each article in detail.
  - E. The HTSUS subheading number under which entry is claimed.
58. Which of the below total entered values is correctly formatted for use in computation of duty and fees on an entry?
- A. \$10,250.06
  - B. \$12,450.00
  - C. \$13,976.25
  - D. \$15,906.15
  - E. \$15,333.49





### Category X - Fines, Penalties and Forfeitures

59. In accordance with 19 CFR § Part 171 Appendix B, which of the following circumstances would **NOT** be considered a “mitigating factor” in the CBP administrative penalty decision for a proposed or assessed penalty claim?
- A. Demonstration of a consistent pattern of importations that is in compliance with all applicable CBP laws and regulations.
  - B. Timely compliance with lawful CBP requests for records related to the alleged violation(s) in accordance with 19 CFR § 163.6.
  - C. Providing CBP with additional information relating to the subject violation or other violations.
  - D. Taking remedial action to pay the actual loss of duties prior to a penalty notice and within 30 days of CBP’s notification.
  - E. Demonstration that CBP had actual knowledge of the violation and, without justification, failed to inform the importer/broker so that an earlier corrective action could have been taken.
60. Which of the following is subject to mandatory seizure under 19 USC 1595a(c)?
- A. Merchandise which is restricted or prohibited by law relating to health, safety, or conservation and is not in compliance.
  - B. Merchandise that requires a license to import and is not accompanied by such license.
  - C. Merchandise in which copyright, trademark, or trade name protection violations are involved.
  - D. Merchandise marked intentionally in violation of 19 USC 1304.
  - E. Merchandise that is stolen, smuggled, or clandestinely imported or introduced.
61. In order to perfect a prior-disclosure under 19 CFR § 162.74, the disclosing party must provide CBP with a description of the involved class or kind of merchandise, the impacted importation or drawback claim(s), specification of the material false statement(s) or omission(s), and – to the best of the disclosing party’s knowledge - the true and accurate information that should have been provided to Customs, within which of the following timeframes?
- A. Within 30 days of the initial disclosure date, or additional time as granted by the concerned Fines, Penalties and Forfeitures Officer.
  - B. Within 30 days of CBP’s formal request.
  - C. Within 30 days of the oral disclosure date, unless additional time has been formally requested from CBP within this same period.
  - D. Within 30 days of CBP’s formal request, unless a concurrent protest has been filed within the requirements of 19 CFR § 174.12 during the same period.
  - E. Within 30 days of the initial disclosure date, unless the information or data is unavailable or unknown to the disclosing party.



## U.S. Customs and Border Protection

62. Which time frame is **INCORRECT**?

- A. Petitions for relief from seizures must be filed within 30 days from the date of the mailing of the notice of seizure.
- B. Supplemental petition must be filed within 60 days from the date of notice to the petitioner of the decision from which further relief is requested.
- C. The penalty assessment shall inform the violator that he has 30 days to respond as to why a penalty should not be issued.
- D. The failure of a Customs Broker that is licensed as a corporation to have, for any continuous period of 180 days, at least one officer of the corporation validly licensed.
- E. Failure of a Customs Broker granted a Permit to conduct business in a certain district to employ, for a continuous period of 180 days, at least one individual who is licensed within the district or region.



### Category XI – Free Trade Agreements

63. Based on the information provided, which statement is **TRUE**?

- Cotton fabric woven in the U.S. of U.S. yarn
- Fabric cut and assembled into trousers in South Africa
- Waistband formed in Korea
- Sewing thread from Korea
- Trousers washed, packed and shipped from Kenya to U.S.

- A. These trousers qualify for AGOA.
- B. The Korean waistband disqualifies these garments for AGOA.
- C. The Korean sewing thread disqualifies these garments for AGOA.
- D. These trousers would be classified in Chapter 61 of the HTSUS.
- E. These trousers do not qualify for AGOA because they were not directly shipped from South Africa to the U.S.

64. Based on the information provided, which statement is **TRUE**?

- Cotton fabric knit in U.S. of U.S. yarn
- Fabric cut in Guatemala
- Components sewn into a dress in Jamaica using U.S. sewing thread
- Dress embroidered in Guatemala using Guatemalan embroidery thread that comprises 24% of the costs of the components of the garment
- Dress shipped from Guatemala to the U.S.

- A. This dress qualifies for CBTPA.
- B. This dress does not qualify for CBTPA because the fabric is cut in Guatemala.
- C. This dress does not qualify for CBTPA because the embroidery thread exceeds the permissible de minimis value for foreign findings or trimmings.
- D. This dress does not qualify for CBTPA because it does not meet the direct shipment requirement.
- E. This dress would be classified in heading 6204 of the HTSUS.

65. Some imported goods that qualify for preferential tariff treatment under various free trade agreements are exempt from payment of the merchandise processing fee. For which selection below would the merchandise processing fee still be due and payable?

- A. Goods qualifying under the United States-Singapore Free Trade Agreement.
- B. Goods qualifying under the United States-Chile Free Trade Agreement.
- C. Goods qualifying under the United States-Oman Free Trade Agreement.
- D. Goods qualifying under the United States-Morocco Free Trade Agreement.
- E. Goods qualifying under the United States-Bahrain Free Trade Agreement.



## U.S. Customs and Border Protection

66. Based on the information provided, which statement is TRUE?

- Wool yarn formed in Canada
  - Elastomeric yarn formed in Korea
  - 96% wool; 4% spandex fabric woven in U.S.
  - Visible lining fabric of subheading 5512.19 woven in Korea
  - Fabric cut and sewn into women's trousers with visible lining in Mexico
  - Trousers shipped from Mexico to the U.S.
- A. The elastomeric yarn from Korea disqualifies these trousers from NAFTA.
- B. The Korean visible lining fabric does not disqualify these trousers from NAFTA.
- C. The Korean visible lining fabric disqualifies these trousers from NAFTA.
- D. The component that determines the classification of these trousers is classified in subheading 5512.19.
- E. These trousers do not qualify for NAFTA because they do not make the necessary tariff shift.



### Category XII – Value

67. A U.S.-domiciled fashion designer contracts with an overseas factory to produce the designer's dresses for sale in the United States. The designer purchases all the necessary materials for the dresses from various sources and countries and ships the materials to the overseas factory. The designer provides his dress designs to the factory. The designer's invoice from the factory is for the labor costs to make the dresses. The designer acts as importer of record to enter the dresses into the United States. What should the designer add to the factory invoice price to calculate the transaction value of the dresses and why should the addition(s) be made? Select the answer which is most complete.
- A. The value of the designer's designs must be added because they are an assist to the factory.
  - B. Nothing must be added because the contract with the factory was simply for the labor to produce the dresses.
  - C. The costs of the materials provided by the designer to the factory must be added because they are an assist.
  - D. The cost of shipping the materials provided by the designer to the factory must be added, in addition to the costs of the materials provided by the designer to the factory, because both the materials and cost of shipping the materials are considered to be assists.
  - E. The designer's profit per dress must be added.
68. A foreign subsidiary sells ore to its U.S. parent company. The price of the ore charged by the subsidiary to its parent is the price of ore on the New York Mercantile Exchange on the date the ore arrives in the United States. Select the statement that is **TRUE** regarding this price.
- A. The price is acceptable under transaction value as it is based upon a formula which neither party can control.
  - B. The price is not acceptable because it is not known at the time of shipment.
  - C. The price is not acceptable because the parties are related.
  - D. The price is acceptable under deductive value because it is based on the price of ore sold in the United States.
  - E. The price is acceptable because the parties are related.



## U.S. Customs and Border Protection

69. Company A imports a specialized mold from Italy for use in production of goods in the United States. The mold is valued at \$2,000.00. Five years after importation, Company A sells the mold to Company B. Company B exports the mold to a company in Canada for use in production of goods in Canada. The Canadian company pays Company B a rental fee for use of the mold. The lease of the mold is limited to no more than 3 years. The Canadian company uses the mold for 2.5 years and then ships the mold back to Company B in the United States. While in Canada, the mold is simply used to produce goods and is not changed in any way. The mold is returned to the United States in the same condition in which it was exported. Select the **CORRECT** answer below.
- A. The mold is fully dutiable upon importation into the United States from Canada.
  - B. The mold is eligible for duty-free entry under subheading 9801.00.10, HTSUS.
  - C. The mold is dutiable based upon its original \$2000.00 value.
  - D. The mold is dutiable based upon its original value less depreciation.
  - E. The mold is eligible for duty-free entry under subheading 9801.00.20, HTSUS.
70. A German chemical producer sells chemicals to its related party in the United States at a 30% discount of the price it sells the same chemicals to other unrelated parties in the United States. Its related party also resells the chemicals in the United States to other unrelated parties who use the chemicals in producing other goods. The German chemical producer acts as the importer of record and claims that transaction value is the proper method of appraisement for the importations of chemicals to its related party and to the unrelated parties. The German chemical producer offers no explanation as to why its related party receives a 30% discount on the price. Select the **CORRECT** statement below.
- A. The German chemical company is correct that it must use the transaction value method to appraise the importations of chemicals for both the related party and unrelated parties.
  - B. The German chemical company must use the computed value method to appraise the importations of chemicals for both the related party and unrelated parties because the related party price is influenced by the relationship.
  - C. The German chemical company must use the transaction value to appraise the importations of chemicals for the unrelated parties, and it may not use this method for the related party because the 30% discount on the price of chemicals is only extended to the related party and this demonstrates that the relationship has influenced the price between the related parties, such that appraisement must follow the valuation hierarchy.
  - D. The German chemical company must use the deductive value method to appraise the importations of chemicals for both the related party and unrelated parties because the related party price is influenced by the relationship and the chemicals are resold by the related party in the United States.
  - E. The German chemical company must use the deductive value method to appraise the importations of chemicals for the related party because the chemicals are resold by the related party in the United States, and it must use the transaction value method to appraise the importation of chemicals for the unrelated parties.



### Category XIII – Marking

71. The articles described or meeting the specified conditions set forth below are exempt from marking requirements **EXCEPT**:
- A. Articles that are incapable of being marked.
  - B. Articles that can be marked prior to shipment to the United States without injury.
  - C. Articles that cannot be marked prior to shipment to the United States except at an expense economically prohibitive of its importation.
  - D. Articles for which the marking of the containers will reasonably indicate the origin of the articles.
  - E. Articles which are crude substances.
72. FSJ Imports orders a shipment of bulk perfume, manufactured in China, which will be repackaged into empty glass retail bottles that were manufactured and imported from Mexico. The glass bottles bear the name and address of FSJ imports. The perfume arrives in a reusable metal container which will be returned to China for use in future imports. With regards to origin, the reusable metal container must be marked indicating the contents \_\_\_\_\_ upon presentation to CBP and the empty glass containers must bear markings indicating that: the contents \_\_\_\_\_ and the bottles \_\_\_\_\_.
- A. Were made in China; were made in China; were made in Mexico
  - B. None; were made in China; None
  - C. None; None; were made in Mexico
  - D. Were made in China; None; were made in Mexico
  - E. None; None; None
73. Which of the below is **FALSE** regarding marking?
- A. Containers of articles excepted from marking shall be marked with the name of the country of origin of the article unless the container is also excepted from marking.
  - B. Special marking may be required by the Internal Revenue Service on alcoholic beverage bottles and other requirements may be imposed by reason of the nature of the contents by other Government agencies.
  - C. A good of a NAFTA country which is a usual container, whether or not disposable and whether or not imported empty or filled, is required to be marked with its own country of origin.
  - D. Articles which are crude substances are excepted from marking requirements.
  - E. Cut flowers are listed on the J-List.



**Category XIV – Intellectual Property Rights**

74. CBP can release unredacted information to a Right Holder of Trademarked merchandise after a pre-determined waiting period. How many days does an Importer of Record have to respond to CBP regarding a shipment officially detained for suspicion of counterfeit?
- A. 2 business days
  - B. 5 business days
  - C. 7 business days
  - D. 10 business days
  - E. 30 calendar days
75. A brand owner is submitting an application to record two of their trademarks, for two classes of goods each. How much will the applicant pay?
- A. \$760.00
  - B. \$190.00
  - C. \$380.00
  - D. \$570.00
  - E. Nothing, it is free to record trademarks
76. A mail shipment consisting of one handbag valued at \$900.00, bearing a spurious mark identical with, or substantially indistinguishable from, a mark registered on the Principal Register of the U.S. Patent and Trademark Office and recorded with CBP, is not subject to seizure under 19 CFR § 133.21(e) if:
- A. The handbag is intended for personal use, and the exemption for the same type of article has not been taken within the 30-day detention period.
  - B. The handbag is intended for personal use, and the quantity does not exceed the exemption of one article of the type bearing the protected trademark.
  - C. The circumstances allowing trademark or trade name restriction(s) set forth in 19 CFR § 133.22(c) or 19 CFR § 133.23(d) are established.
  - D. The addressee appears in person at the appropriate CBP office and, at the time, removes or obliterates the mark on the handbag in a manner acceptable to CBP.
  - E. None of the above.





**Category XV – Foreign Trade Zone/ Warehouse**

77. Only \_\_\_\_\_ shall be stored in the bonded area of a bonded warehouse.
- A. Bonded Merchandise
  - B. Explosive Substances Merchandise
  - C. Class 6 Bonded Cigars Merchandise
  - D. Zone Restricted Merchandise
  - E. Duty Free Merchandise
78. When transferring merchandise from a zone, merchandise in \_\_\_\_\_ status may **NOT** be entered for warehouse.
- A. Nonprivileged Foreign
  - B. Privileged Foreign
  - C. Zone-Restricted
  - D. Domestic
  - E. Privileged Foreign or Domestic
79. Based on the information below, how long will Plaid Christmas Tree Inc. be **REQUIRED** to maintain records identified within **19 CFR § 162.1(a)?**

The entity Plaid Christmas Tree Inc. (Plaid) seeks flexibility in its manufacturing operations and the ability to delay entry procedures and payments of duties on its foreign merchandise until those goods enter CBP territory for domestic consumption. At which point, Plaid will have the choice of paying duties at the rate of either the original foreign materials or the finished product. To obtain this flexibility, Plaid intends to open and operate a Foreign Trade Zone (FTZ) in a warehouse next to their existing parts/assembly facility. Prior to making further FTZ arrangements, Plaid is ensuring they understand their obligations to retain records (recordkeeping), if any exist, as the operator of an FTZ.

- A. Plaid does not need to maintain the records because their licensed Customs Broker is required to maintain the records on their behalf.
- B. The consignee of the merchandise shall keep all records pertaining to the merchandise for 2 years from the date of entry.
- C. Records must be maintained by Plaid for five years following the removal of the merchandise from the zone.
- D. The operator is only required to maintain the packing lists for a period of 60 calendar days from the end of the release or conditional release of the merchandise.
- E. Foreign Trade Zone documents are not listed within the (a)(1)(A) list and are therefore exempt from CBP's recordkeeping requirements.



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80. Which of the following is **NOT** a reason that a port director may suspend, for cause the activated status of a zone or zone site, or the privilege to admit, manufacture, manipulate, exhibit, destroy, transfer or remove merchandise at a zone or zone site for a period not to exceed 90 days?
- A. The approval of the application to activate the zone was obtained through fraud or the misstatement of a material fact.
  - B. The operator neglects or refuses to obey any proper order of a Customs officer or any Customs order, rule, or regulation relating to the operation or administration of a zone.
  - C. The operator fails to furnish a current list of names, addresses, or other information as required by 19 CFR § 146.7.
  - D. The operator, or any officer, agent, or employee of the operator, discloses to an unauthorized person proprietary information contained on a Customs form or in the inventory control and recordkeeping system.
  - E. The operator, or any officer of a corporation which has been granted the right to operate a zone, is convicted of or has committed any acts which would constitute a misdemeanor.

**You may use the remaining time to go back and check your answers.**



## U.S. Customs and Border Protection

**If you have finished double checking your information and would like to participate in the survey, please respond to the following questions.**

### **Section 2: Examination Process Evaluation Survey**

This survey is administered to collect information about the examination process. The survey is **voluntary** and your responses will have no impact on your score.

1. What is your background regarding Customs laws and regulations?
  - A. Former CBP employee
  - B. Currently works or has worked for a broker in the past
  - C. Currently works or has worked for an importer on trade issues in the past
  - D. No working experience with Customs laws and regulations
  - E. Currently works or has worked for both broker and importer in the past
2. How did you prepare for the Customs Broker Examination?
  - A. Took an in-person course through an educational institution
  - B. Took an online course through an educational institution
  - C. Self-prepared
  - D. Did not spend time preparing for the examination
3. Approximately how many hours did you spend preparing for the examination?
  - A. 1-10
  - B. 11-25
  - C. 26-100
  - D. More than 100
  - E. Did not spend time preparing for the examination
4. How difficult was the examination?
  - A. Very easy
  - B. Easy
  - C. Moderate
  - D. Difficult
  - E. Very difficult
5. How clear were the examination questions?
  - A. Very clear
  - B. Clear
  - C. Neither clear nor difficult to understand
  - D. Difficult to understand



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E. Very difficult to understand



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6. Would you have liked more, less, or the same amount of time for this examination?
- A. Less time – I finished early
  - B. Same amount of time – it was just right
  - C. Slightly more time – to consider or review my answers
  - D. More time – I did not finish the examination